

BEFORE THE
POSTAL REGULATORY COMMISSION
WASHINGTON, D.C. 20268-0001

COMPETITIVE PRODUCT PRICES
INBOUND PARCEL POST (AT UPU RATES)

Docket No. CP2021-47

**NOTICE OF THE UNITED STATES POSTAL SERVICE OF FILING
CHANGES IN RATES NOT OF GENERAL APPLICABILITY FOR
INBOUND PARCEL POST (AT UPU RATES),
AND APPLICATION FOR NON-PUBLIC TREATMENT**
(December 11, 2020)

The United States Postal Service (Postal Service) hereby gives notice of a change in rates not of general applicability for its Inbound Parcel Post (at Universal Postal Union (UPU) Rates) product; these rates would take effect January 1, 2021.

The Postal Regulatory Commission (Commission) previously determined that Inbound Air Parcel Post (at UPU Rates) is appropriately classified as a competitive product and that an initial review of the rates indicated compliance with statutory requirements.¹ On August 19, 2014, in PRC Order No. 2160, the Commission determined that Inbound Surface Parcel Post (at UPU Rates) also is appropriately classified as a competitive product and that an initial review of the rates indicated compliance with statutory requirements.² As part of the Order No. 2160, Inbound Air Parcel Post (at UPU Rates) and Inbound Surface Parcel Post (at UPU Rates) were merged into a single product identified as Inbound Parcel Post (at UPU Rates).

The Decision of the Governors of the United States Postal Service on the Establishment of Prices and Classifications for Domestic Competitive Agreements,

¹ PRC Order No. 362, Order Adding Inbound Air Parcel Post at UPU Rates to Competitive Product List, Docket Nos. MC2010-11 and CP2010-11, December 15, 2009, at 8-9.

² PRC Order No. 2160, Order Approving Product List Transfer, Docket No. MC2014-28, August 19, 2014, at 8.

Outbound International Competitive Agreements, Inbound International Competitive Agreements, and Other Non-published Competitive Rates (Governors' Decision No. 19-1), issued on February 7, 2019, authorized rates for, among other things, "other non-published competitive rates" that are "not of general applicability" and also "that are not embodied in contractual instruments." As in the past, this would include certain rates issued by operation of the Universal Postal Convention.

With this filing, the Postal Service notifies the Commission of changes to the rates for Inbound Parcel Post (at UPU Rates) that are intended to take effect January 1, 2021.³ This includes the Air Parcel and Surface Parcel rates within the Inbound Parcel Post (at UPU Rates) product. This is the same scenario for which the Commission favorably reviewed rates in effect for the periods beginning January 1, 2017, July 1, 2017, January 1, 2018, July 1, 2018, January 1, 2019, January 1, 2020, and July 1, 2020, in PRC Order Nos. 3716, 3985, 4308, 4655, 4933, 5385, and 5564, respectively.⁴

The Postal Service's unredacted rates and other supporting documents are being filed separately under seal with the Commission. The Postal Service's Application for Non-public Treatment of those materials is included with this Notice as Attachment 1. A redacted version of UPU International Bureau (IB) Circular No. 148 (dated October 12, 2020), which fixed the new rates that are the subject of this filing, is included as

³ This filing does not concern rates for ECOMPRO parcels.

⁴ See Order Acknowledging Changes in Prices for Inbound Parcel Post (at UPU Rates), PRC Order No. 3716, December 30, 2016; Order Acknowledging Changes in Prices for Inbound Parcel Post (at UPU Rates), PRC Order No. 3985, June 29, 2017; Order Acknowledging Changes in Prices for Inbound Parcel Post (at UPU Rates), PRC Order No. 4308, December 28, 2017; Order Acknowledging Changes in Prices for Inbound Parcel Post (at UPU Rates), PRC Order No. 4655, June 20, 2018; Order Acknowledging Changes in Prices for Inbound Parcel Post (at UPU Rates), PRC Order No. 4933, December 19, 2018; Order Acknowledging Changes in Prices for Inbound Parcel Post (at UPU Rates), PRC Order No. 5385, December 31, 2019; Order Acknowledging Changes in Prices for Inbound Parcel Post (at UPU Rates), PRC Order No. 5564, June 25, 2020.

Attachment 2.⁵ The new rates appear on page 11 within Annex 1 of Attachment 2. A certification pursuant to 39 C.F.R. § 3035.105(c)(2) is included as Attachment 3.

Redacted Postal Service data used by the UPU to justify any bonus payments are included as Attachment 4.⁶ A copy of the Postal Service's submission to the UPU in support of an inflation-linked adjustment is included as Attachment 5. A redacted copy of Governors' Decision No. 19-1 is included as Attachment 6. Redacted Excel versions of the supporting financial documentation also accompany this filing.

I. Explanation of Rates -- New UPU Rates for Inbound Parcel Post.

As noted above, Attachment 2 consists of UPU IB Circular No. 148 dated October 12, 2020, by which the UPU established the new rates for Inbound Parcel Post to take effect on January 1, 2021. IB Circular No. 148 sets the new air and surface parcel rates that are included within the merged Inbound Parcel Post (at UPU Rates) product.

II. Application for Non-Public Treatment

The Postal Service maintains that certain portions of the Governors' Decision, the new rates, the service feature and bonus data, and related financial information should remain confidential. The Postal Service provides its Application for Non-Public Treatment of materials filed under seal as Attachment 1.

⁵ The Application in Attachment 1 requests non-public treatment of the Postal Service's inbound rates and its related performance results. In these documents, the UPU also issued the inbound rates for other countries' postal operators and their related performance results. Those other countries' inbound rates and performance results (in Attachment 2) are redacted (even in the non-public versions of this filing) because they are not only sensitive business information of the foreign posts, but they are also irrelevant to this filing concerning the Postal Service's inbound rates.

⁶ The original UPU "6-Months Parcels Measurement Report" document includes 67 numbered pages. Attachment 4 to this Notice contains redacted pages displaying the Postal Service's inbound consolidated results and outbound consolidated results used to assess bonuses. Other pages and data not displayed in the attachment consist of other outbound data and non-consolidated data. Likewise, results from other countries' posts are irrelevant to this filing and this docket and are redacted (even in the non-public version) in Attachment 4.

III. Management Analysis

In PRC Order No. 2310, the Commission requested that the Postal Service provide an update to the Management Analysis supporting of the establishment of rates for Inbound Air Parcel Post (at UPU Rates) as requested in PRC Order No. 2102.

Specifically, the Commission requested in Order No. 2102 (at 6):

data and information concerning the Postal Service's submission of formal documentation to the UPU in support of an inflation-linked adjustment for the inward land rate it receives from other postal administrations and transmission of responses to the UPU survey to justify bonus payments; the date the UPU advises the United States that the inward land rate applicable to its inbound air parcels would be per item plus per kilo special drawing rights (SDRs); the inward land rate calculation for the pertinent year (or period); the SDR equivalent in U.S. dollars; and the estimated cost coverage for the pertinent calendar year.

In response, the Postal Service provides the following with respect to the successor Inbound Parcel Post (at UPU Rates) product:

- The Postal Service is transmitting (within redacted Attachment 4) the data used by the UPU to justify any bonus payments. As the UPU explained on the last page of the Circular distributing the new rates (page 22 of Attachment 2 to this Notice), the data relate to the period August 2019 through January 2020, rather than February 2020 through July 2020, due to the global pandemic.
- The Postal Service is transmitting (within Attachment 5) the Postal Service's submission to the UPU in support of an inflation-linked adjustment.

- The date that the UPU advised the United States of the Inward Land Rates and the calculation⁷ for the pertinent period was October 12, 2020, as shown on page 1 of the UPU IB Circular accompanying this Notice as Attachment 2.
- The SDR conversion rate to U.S. dollars used for the cost coverage analysis was 1 SDR is equal to \$1.43 USD.⁸
- The estimated cost coverage for the pertinent year is available in the attached financial information. That financial information and the attached certification show that the Inbound Parcel Post (at UPU Rates) product should cover its attributable costs, preclude the subsidization of competitive products by market dominant products, and not impair the ability of competitive products on the whole to cover an appropriate share of institutional costs.

In PRC Order No. 4933, for future filings for prices for Inbound Parcel Post (at UPU Rates), the Commission further directed the Postal Service to provide citations and copies of the relevant IB Circulars and updates to the inflation-linked adjustment. The Postal Service has provided these citations above and has included a copy of the IB Circular as Attachment 2 and the inflation-linked adjustment in Attachment 5.

IV. Conclusion

For the reasons discussed above, the Postal Service has established that these new rates for Inbound Parcel Post (at UPU Rates) are in compliance with the requirements of 39 U.S.C. § 3633(a)(2) and 39 C.F.R. § 3035.107. Accordingly, the

⁷ The Inward Land Rates calculation is performed by the UPU based on data provided by the Postal Service. The UPU's calculation is explained on page 1 of Attachment 2 and the introductory pages of Attachment 4. The results of the calculation are provided on page 11 of Attachment 2.

⁸ This conversion rate is based on the publication of the SDR value by the International Monetary Fund (IMF) on November 30, 2020. The conversion rate at the time of settlement may vary based on the IMF value of the SDR at time of settlement.

Postal Service respectfully submits that it has met its burden of providing notice to the Commission of changes in rates for the Inbound Parcel Post (at UPU Rates) product within the scope authorized under Governors' Decision 19-1, as required by 39 U.S.C. § 3632(b)(3), and requests favorable review of these UPU rates that will take effect on January 1, 2021.

Respectfully submitted,

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December 11, 2020

**APPLICATION OF THE UNITED STATES POSTAL SERVICE
FOR NON-PUBLIC TREATMENT OF MATERIALS**

In accordance with 39 C.F.R. § 3011, the United States Postal Service (Postal Service) hereby applies for non-public treatment of certain materials filed with the Commission in these dockets. The materials pertain to the establishment of prices and classifications not of general applicability for Inbound Parcel Post (at UPU Rates) established in Governors' Decision 19-1. The rates and supporting documents establishing compliance with 39 U.S.C. §§ 3632-3633 and 39 C.F.R. §§ 3035.105 and 3035.107 are being filed separately under seal with the Commission. Redacted copies of these materials are filed publicly, including redacted versions of supporting financial documentation filed as separate Excel documents.

The Postal Service hereby furnishes the justification required for this application by 39 C.F.R. § 3011.201(b) below.

(1) The rationale for claiming that the materials are non-public, including the specific statutory basis for the claim, and a statement justifying application of the provision(s);

The materials designated as non-public consist of information of a commercial nature that under good business practice would not be publicly disclosed. In the Postal Service's view, this information would be exempt from mandatory disclosure pursuant to 39 U.S.C. § 410(c)(2) and 5 U.S.C. § 552(b)(3) and (4).¹ Because the portions of the materials that the Postal Service is filing only under seal fall within the scope of

¹ In appropriate circumstances, the Commission may determine the appropriate level of confidentiality to be afforded to such information after weighing the nature and extent of the likely commercial injury to the Postal Service against the public interest in maintaining the financial transparency of a government establishment competing in commercial markets. 39 U.S.C. § 504(g)(3)(A). The Commission has indicated that "likely commercial injury" should be construed broadly to encompass other types of injury, such as harms to privacy, deliberative process, or law enforcement interests. PRC Order No. 194, Second Notice of Proposed Rulemaking to Establish a Procedure for According Appropriate Confidentiality, Docket No. RM2008-1, Mar. 20, 2009, at 11.

information not required to be publicly disclosed, the Postal Service asks the Commission to support its determination that these materials are exempt from public disclosure and grant its application for their non-public treatment.

(2) A statement of whether the submitter, any person other than the submitter, or both have a proprietary interest in the information contained within the nonpublic materials, and the identification(s) specified in paragraphs (b)(2)(i) through (iii) of this section (whichever is applicable). For purposes of this paragraph, identification means the name, phone number, and email address of an individual²

In the case of the UPU rates such as those at issue here, the Postal Service believes that the foreign postal operators whose governments are members of the UPU are third parties with a proprietary interest in the materials. Due to language and cultural differences as well as the sensitive nature of the Postal Service's rate relationship with the affected foreign postal operators, the Postal Service proposes that a designated Postal Service employee serve as the point of contact for any notices to the relevant postal operators. The Postal Service identifies as an appropriate contact person Peter Chandler, Manager, UPU Relations, International Postal Affairs. Mr. Chandler's phone number is (202) 268-5549, and his email address is peter.r.chandler@usps.gov.

² Section 3011.201(b)(2) further states the following:

(i) If the submitter has a proprietary interest in the information contained within the materials, identification of an individual designated by the submitter to accept actual notice of a motion related to the non-public materials or notice of the pendency of a subpoena or order requiring production of the materials.

(ii) If any person other than the submitter has a proprietary interest in the information contained within the materials, identification of each person who is known to have a proprietary interest in the information. If such an identification is sensitive or impracticable, an explanation shall be provided along with the identification of an individual designated by the submitter to provide notice to each affected person.

(iii) If both the submitter and any person other than the submitter have a proprietary interest in the information contained within the non-public materials, identification in accordance with both paragraphs (b)(2)(i) and (ii) of this section shall be provided. The submitter may designate the same individual to fulfill the requirements of paragraphs (b)(2)(i) and (ii) of this section.

Moreover, the Postal Service, in conjunction with the United States Department of State, requested that the Universal Postal Union (UPU) International Bureau (IB) issue a Circular notice to all countries and designated operators informing each of its rights under the now-renumbered 39 C.F.R. § 3011.204. This notification was published by the IB in Circular No. 200 on December 9, 2019. Specifically, the notice informs all countries and UPU designated operators that the Postal Service will be regularly submitting certain business information to the Commission. The Circular includes information on how third parties may address any confidentiality concerns with the Commission. In addition, contact information for all UPU designated operators is available at the following link, which is incorporated by reference into the instant application: http://pls.upu.int/pls/ap/addr_public.display_addr?p_language=AN.³

(3) A description of the materials claimed to be non-public in a manner that, without revealing the materials at issue, would allow a person to thoroughly evaluate the basis for the claim that they are non-public;

In connection with its Notice filed in these dockets, the Postal Service included its new rates, Governors' Decision No. 19-1, data on service features justifying its rate bonuses, and supporting documentation in the form of financial work papers. These materials were filed under seal, with redacted copies filed publicly.⁴ The Postal Service maintains that the redacted portions of the rate charts, data supporting bonuses and adjustments, Governors' Decision, and related financial information should remain confidential.

³ To the extent required, the Postal Service seeks a waiver from having to provide each foreign postal operator notice of these dockets. It is impractical to communicate with dozens of operators in multiple languages about this matter. Moreover, the volume of filings would overwhelm both the Postal Service and the applicable foreign postal operators with boilerplate notices.

⁴ The non-public versions of Attachments 2 & 4 maintain redactions for data with respect to countries other than the United States; the rate and performance data for other countries are not relevant in this docket.

The redactions applied to the rate charts, bonus data, Governors' Decision, and related financial work papers protect commercially sensitive information such as rates, underlying costs and assumptions, performance data, pricing formulas, and cost coverage projections. To the extent practicable, the Postal Service has limited its redactions to the actual information it has determined to be exempt from disclosure under 5 U.S.C. § 552(b).

(4) Particular identification of the nature and extent of commercial harm alleged and the likelihood of such harm;

If the portions of the rate charts, service performance bonus and rate adjustment data, Governors' Decision No. 19-1, and related financial work papers that the Postal Service determined to be protected from disclosure due to their commercially sensitive nature were to be disclosed publicly, the Postal Service considers that it is quite likely that it would suffer commercial harm. Information about pricing and service performance is commercially sensitive, and the Postal Service does not believe that it would be disclosed under good business practices. Competitors could use the information to assess the rates charged by the Postal Service to foreign postal operators for any possible comparative vulnerabilities and focus sales and marketing efforts on those areas, to the detriment of the Postal Service. The Postal Service considers this to be a highly probable outcome that would result from public disclosure of the redacted material.

The financial work papers include specific information such as costs, projections of variables, and cost coverage. All of this information is highly confidential in the business world. If this information were made public, the Postal Service's competitors would have the advantage of being able to assess the Postal Service costs and pricing.

Thus, competitors would be able to take advantage of the information to offer lower pricing to customers (which can include foreign posts, which are not required to use the Postal Service for delivery of parcels destined to the United States), while subsidizing any losses with profits from other customers. Eventually, this could freeze the Postal Service out of the relevant inbound delivery services market. Additionally, foreign postal operators or other potential customers could use costing information to their advantage in negotiating the terms of their own agreements with the Postal Service. Given that these spreadsheets are filed in their native format, the Postal Service's assessment is that the likelihood that the information would be used in this way is great.

Potential customers (which can include foreign posts) could also deduce from the rates provided in the work papers whether additional margin for net profit exists. From this information, each foreign postal operator or customer could attempt to negotiate ever-decreasing prices, such that the Postal Service's ability to negotiate competitive yet financially sound rates would be compromised.

Competitors could also exploit the non-public service performance and rate adjustment data. Such information is commercially sensitive, as it may reveal the relative strengths and weaknesses of the Postal Service. Competitors would gain a competitive advantage that the Postal Service lacks, as it would not have access to the same type of data of those competitors.

Volume and price information included in the financial spreadsheets and in the UPU IB Circular also consist of sensitive commercial information of foreign postal operators. Disclosure of such information could be used by competitors of a postal

operator to assess the operators' underlying market size and its costs, and thereby develop a benchmark for the development of a competitive alternative.

(5) At least one specific hypothetical, illustrative example of each alleged harm;

Harm: Public disclosure of information in the rate charts, Governors' Decision No. 19-1, or financial work papers would be used by competitors and customers to the detriment of the Postal Service.

Hypothetical: A competing package delivery service obtains a copy of the unredacted version of the rate charts, formulas (including as reflected in the Governors' Decision), and financial work papers from the Postal Regulatory Commission's website. It analyzes the data to determine what the Postal Service would have to charge its customers (which may include foreign posts) in order for the Postal Service to meet its minimum statutory obligations for cost coverage and contribution to institutional costs. The competing package delivery service then sets its own rates for products similar to what the Postal Service offers other posts under that threshold and markets its ability to guarantee to beat the Postal Service on price for inbound air parcels. By sustaining this below-market strategy for a relatively short period of time, the competitor, or all of the Postal Service's competitors acting in a likewise fashion, would freeze the Postal Service out of the inbound air parcel delivery market.

Harm: Public disclosure of information in the rate charts or financial work papers would be used by a foreign postal operator's competitors to its detriment.

Hypothetical: A competing international delivery service obtains a copy of the unredacted version of the financial work papers from the Postal Regulatory Commission's website. The competitor analyzes the work papers to assess a foreign postal operator's underlying costs and volumes for the corresponding products. The

competitor uses that information to assess the market potential and negotiate with U.S. customs brokers and freight companies to develop lower-cost alternatives.

Harm: Public disclosure of information in the Governors' Decision No. 19-1, including the Governors' internal deliberative bases for setting competitive prices, would be used by competitors to the detriment of the Postal Service.

Hypothetical: A competing package delivery service obtains a copy of the unredacted version of the Governors' Decision from the Postal Regulatory Commission's website, revealing both the Governors' pricing standards and the Postal Service's internal deliberative bases for setting certain specific prices for competitively classified products. Moreover, if the Commission were to compel such disclosure, it might also compel disclosure of other unredacted Governors' Decisions, past and future. The internal deliberative pricing processes, cost assumptions, and pricing formulas that the Postal Service uses to establish its prices for competitive products can, and does, vary at different times and for different competitive products. If the Commission gave competitors access to that type of information, and indeed also to such information over time as the Governors' Decisions may change, then the competitors could analyze the data to determine what the Postal Service would have to charge its customers for cost coverage and contribution to institutional costs; those competitors could then set their rates and market their own products similar to the Postal Service's offerings at competitively advantageous levels. That, in turn, harms the Postal Service commercially, and unfairly, as it does not have access to its competitors' similar information.

Harm: Public disclosure of the data pertaining to the Postal Service's service performance bonuses and rate adjustments could be used by its competitors to its competitive detriment.

Hypothetical: A competing international delivery service obtains a copy of the unredacted version of the service performance data from the Postal Regulatory Commission's website. The competitor passes this information along to its sales and marketing functions. The competitor then uses this performance information to develop plans to compete more effectively against the Postal Service and/or to develop comparative advertising.

(6) The extent of protection from public disclosure deemed to be necessary;

The Postal Service maintains that the redacted portions of the materials filed non-publicly should be withheld from persons involved in competitive decision-making in the relevant market for inbound parcel delivery (including both private sector integrators and foreign postal operators), as well as their consultants and attorneys. Additionally, the Postal Service believes that foreign postal operators, as well as actual or potential customers of a postal operator for this or similar products should not be provided access to the non-public financial work papers.

(7) The length of time deemed necessary for the non-public materials to be protected from public disclosure with justification thereof; and

The Commission's regulations provide that non-public materials shall lose non-public status ten years after the date of filing with the Commission, unless otherwise provided by the Commission. 39 C.F.R. § 3011.401(a). However, because the Postal Service's relationships with customers often continue beyond ten years or decades, the

Postal Service intends to oppose requests for disclosure of these materials pursuant to 39 C.F.R. § 3011.401(b-c).

(8) Any other factors or reasons relevant to support the application.

UPU inward land rates and UPU service performance data are not available publicly. Rather, they are circulated to postal operators and government ministries through UPU International Bureau circulars and accessible on a password-protected website. Hence, they are considered by postal operators to be commercially sensitive.

Dear Sir/Madam,

The purpose of this circular is to inform designated operators (DOs) of the inward land rates (ILRs) applicable from 1 January 2021 until 30 June 2021. You will find the list of ILRs in Annex 1. These ILRs are based on the validation of parcel service features as prescribed in articles 32-201 and 32-202 of the Convention Regulations, and Postal Operations Council resolution CEP 3/2019.1.

The 2021 ILRs are based on the number of service features provided by DOs, the achievement of performance targets, where relevant, and any requests for inflation adjustments submitted by DOs in accordance with the conditions stipulated in article 32-202 of the Convention Regulations, as verified by the International Bureau.

DOs are reminded that the prerequisites for eligibility to receive bonus payments based on service features, provided in resolution CEP 3/2019.1, are as follows:

- compliance with the provisions in article 22 of the Convention relating to mandatory acceptance of liability for lost, rifled and damaged parcels;
- provision to the International Bureau of a sample of the UPU standard S10 item identifier;
- compliance with the rule on mandatory use of the UPU standard S10 item identifier as defined in article 17-215.1 of the Convention Regulations;
- compliance with the condition of having an entry in the Parcel Post Compendium Online.

A DO that does not meet all prerequisites above receives only its base inward land rate (i.e. 71.4% of its 2004 inward land rates), plus any inflation-linked adjustment. The bonuses associated with the provision of parcel service features by individual DOs are outlined in Annex 2.

Any queries regarding the content of this circular should be sent to Mr Philippe Grondein (philippe.grondein@upu.int), Remuneration Implementation Expert, and copied to Mr Altamir Linhares, Remuneration Governance, Development and Integration Programme Manager (altamir.linhares@upu.int).

This circular supersedes circular 132 of 21 September 2020.

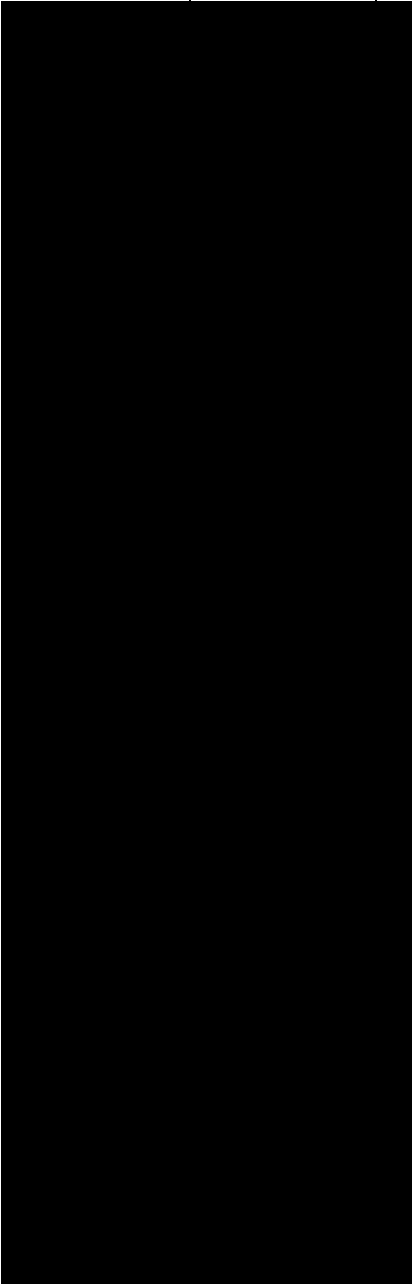
Yours faithfully,

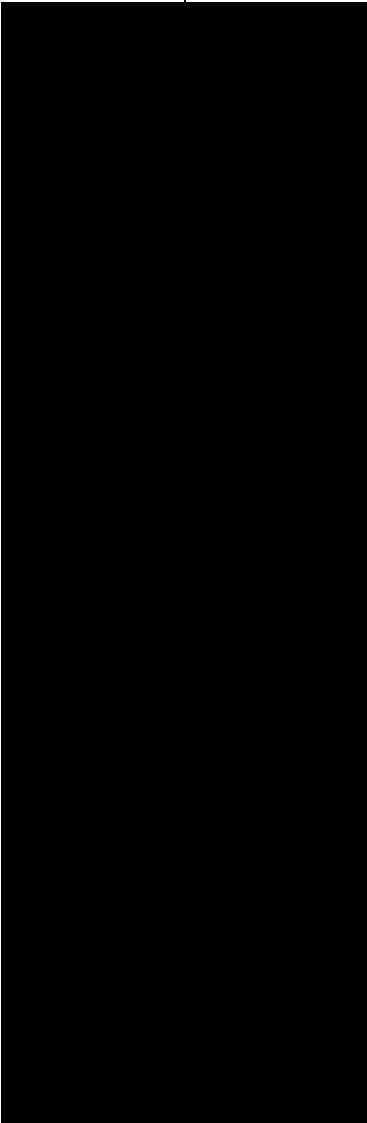
Siva Somasundram
Director of Policy, Regulation and Markets

Annex 1

Complete list of inward land rates effective from 1 January 2021


<i>ISO</i>	<i>Designated operator</i>	<i>Rate per parcel (SDR)</i>	<i>Rate per kg (SDR)</i>
AF	Afghanistan – Surface parcels – Air parcels		
AL	Albania		
DZ	Algeria		
AO	Angola		
AG	Antigua and Barbuda		
AR	Argentina – Surface parcels – Air parcels		
AM	Armenia		
AW	Aruba		
AU	Australia – Surface parcels – Air parcels		
AT	Austria		
AZ	Azerbaijan		
BS	Bahamas – Surface parcels – Air parcels		
BH	Bahrain (Kingdom)		
BD	Bangladesh – Surface parcels – Air parcels		
BB	Barbados		
BY	Belarus		
BE	Belgium – Surface parcels – Air parcels		

ISO	Designated operator	Rate per parcel (SDR)	Rate per kg (SDR)
BZ	Belize		
BJ	Benin		
BT	Bhutan		
BO	Bolivia – Surface parcels – Air parcels		
BA	Bosnia and Herzegovina (JP BH Pošta)		
BA	Bosnia and Herzegovina (Pošte Srpske)		
BA	Bosnia and Herzegovina (Mostar)		
BW	Botswana		
BR	Brazil		
BN	Brunei Darussalam		
BG	Bulgaria (Rep.)		
BF	Burkina Faso		
BI	Burundi		
KH	Cambodia		
CM	Cameroon		
CA	Canada – Surface parcels – Air parcels		
CV	Cape Verde – Surface parcels – Air parcels		
CF	Central African Rep.		
TD	Chad – Surface parcels – Air parcels		
CL	Chile – Surface parcels – Air parcels		

ISO	Designated operator	Rate per parcel (SDR)	Rate per kg (SDR)
CN	China (People's Rep.) – Surface parcels – Air parcels		
HK	– Hong Kong, China		
MO	– Macao, China		
CO	Colombia – Surface parcels – Air parcels		
KM	Comoros		
CG	Congo (Rep.)		
CR	Costa Rica		
CI	Côte d'Ivoire (Rep.)		
HR	Croatia		
CU	Cuba – Surface parcels – Air parcels		
CW	Curaçao		
CY	Cyprus		
CZ	Czech Rep.		
KP	Dem. People's Rep. of Korea		
CD	Dem. Rep. of the Congo		
DK	Denmark		
DJ	Djibouti		
DM	Dominica		
DO	Dominican Republic		
EC	Ecuador – Surface parcels – Air parcels		

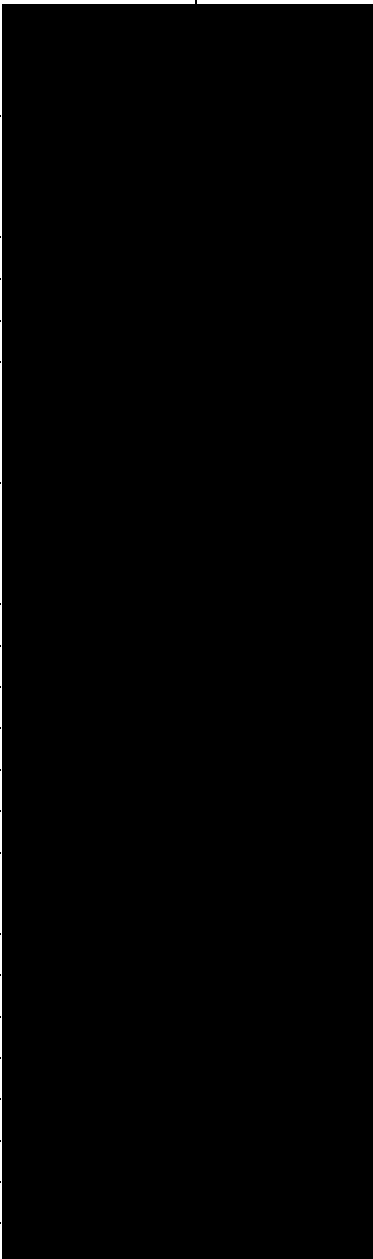
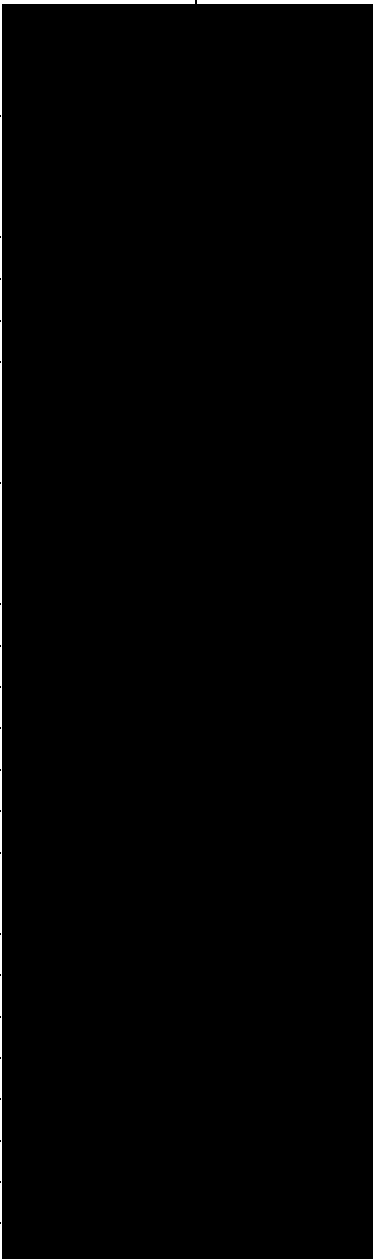
ISO	Designated operator	Rate per parcel (SDR)	Rate per kg (SDR)
EG	Egypt – Surface parcels – Air parcels		
SV	El Salvador		
GQ	Equatorial Guinea		
ER	Eritrea		
EE	Estonia		
SZ	Eswatini		
ET	Ethiopia		
FJ	Fiji		
FI	Finland		
AX	– Åland Islands		
FR	France ¹		
PF	– French Polynesia		
NC	– New Caledonia		
WF	– Wallis and Futuna Islands		
GA	Gabon – Surface parcels – Air parcels		
GM	Gambia		
GE	Georgia		
DE	Germany		
GH	Ghana		
GR	Greece		
GD	Grenada		
GT	Guatemala		
GN	Guinea		
GW	Guinea-Bissau		

¹ [REDACTED]

ISO	Designated operator	Rate per parcel (SDR)	Rate per kg (SDR)
GY	Guyana – Surface parcels – Air parcels		
HT	Haiti		
HN	Honduras (Rep.) – Surface parcels – Air parcels		
HU	Hungary		
IS	Iceland		
IN	India – Surface parcels – Air parcels		
ID	Indonesia – Surface parcels – Air parcels		
IR	Iran (Islamic Rep.) – Surface parcels – Air parcels		
IQ	Iraq		
IE	Ireland		
IL	Israel		
IT	Italy		
JM	Jamaica		
JP	Japan		
JO	Jordan		
KZ	Kazakhstan – Surface parcels – Air parcels		
KE	Kenya		
KI	Kiribati		
KR	Korea (Rep.)		

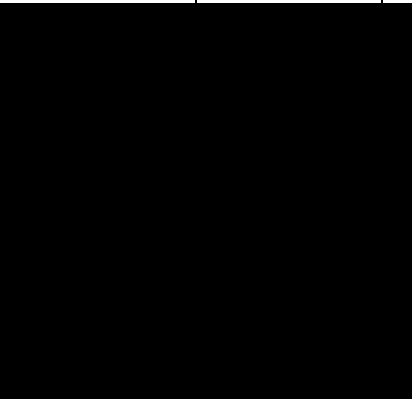
ISO	Designated operator	Rate per parcel (SDR)	Rate per kg (SDR)
KW	Kuwait		
KG	Kyrgyzstan		
LA	Lao People's Dem. Rep.		
LV	Latvia		
LB	Lebanon		
LS	Lesotho		
LR	Liberia		
LI	Liechtenstein		
LT	Lithuania		
LU	Luxembourg		
MG	Madagascar		
MW	Malawi		
MY	Malaysia		
MV	Maldives		
ML	Mali		
MT	Malta		
MR	Mauritania		
MU	Mauritius		
MX	Mexico		
	– Surface parcels		
	– Air parcels		
MD	Moldova		
MN	Mongolia		
ME	Montenegro		
MA	Morocco		
MZ	Mozambique		
	– Surface parcels		
	– Air parcels		

ISO	Designated operator	Rate per parcel (SDR)	Rate per kg (SDR)
MM	Myanmar – Surface parcels – Air parcels		
NA	Namibia		
NR	Nauru		
NP	Nepal		
NL	Netherlands		
BQ	– Bonaire, Sint Eustatius and Saba		
NZ	New Zealand – Air parcels		
CK	Cook Islands – Surface parcels – Air parcels		
NI	Nicaragua		
NE	Niger		
NG	Nigeria		
MK	North Macedonia		
NO	Norway		
OM	Oman		
PK	Pakistan – Surface parcels – Air parcels		
PS	Palestine		
PA	Panama (Rep.)		
PG	Papua New Guinea		
PY	Paraguay – Surface parcels – Air parcels		

ISO	Designated operator	Rate per parcel (SDR)	Rate per kg (SDR)
PE	Peru – Surface parcels – Air parcels		
PH	Philippines – Surface parcels – Air parcels		
PL	Poland		
PT	Portugal		
QA	Qatar		
RO	Romania – Surface parcels – Air parcels		
RU	Russian Federation – Surface parcels – Air parcels		
RW	Rwanda		
KN	Saint Christopher (St Kitts) and Nevis		
LC	Saint Lucia		
VC	Saint Vincent and the Grenadines		
WS	Samoa		
ST	Sao Tome and Principe		
SA	Saudi Arabia – Air parcels		
SN	Senegal		
RS	Serbia		
SC	Seychelles		
SL	Sierra Leone		
SG	Singapore		
SX	Sint Maarten		
SK	Slovakia		
SI	Slovenia		

ISO	Designated operator	Rate per parcel (SDR)	Rate per kg (SDR)
SB	Solomon Islands		
SO	Somalia		
ZA	South Africa – Surface parcels – Air parcels		
SS	South Sudan		
ES	Spain		
LK	Sri Lanka		
LY	State of Libya – Surface parcels – Air parcels		
SD	Sudan – Surface parcels – Air parcels		
SR	Suriname		
SE	Sweden		
CH	Switzerland		
SY	Syrian Arab Rep.		
TJ	Tajikistan		
TZ	Tanzania (United Rep.)		
TH	Thailand – Surface parcels – Air parcels		
TL	Timor-Leste (Dem. Rep.)		
TG	Togo		
TO	Tonga (including Niuafo'ou)		
TT	Trinidad and Tobago		
TN	Tunisia		

ISO	Designated operator	Rate per parcel (SDR)	Rate per kg (SDR)
TR	Turkey		
	– Surface parcels		
	– Air parcels		
TM	Turkmenistan		
TV	Tuvalu		
UG	Uganda		
UA	Ukraine		
AE	United Arab Emirates		
GB	United Kingdom		
AI	– Anguilla		
AC	– Ascension		
BM	– Bermuda		
VG	– British Virgin Islands		
KY	– Cayman Islands		
FK	– Falkland Islands (Malvinas)		
GI	– Gibraltar		
MS	– Montserrat		
PN	– Pitcairn Islands		
SH	– St Helena		
TA	– Tristan da Cunha		
TC	– Turks and Caicos Islands		
US	United States of America		
	– Surface parcels		
	– Air parcels		
UY	Uruguay		
UZ	Uzbekistan		
VU	Vanuatu		
VA	Vatican		
VE	Venezuela (Bolivarian Rep.)		
	– Surface parcels		
	– Air parcels		

<i>ISO</i>	<i>Designated operator</i>	<i>Rate per parcel (SDR)</i>	<i>Rate per kg (SDR)</i>
VN	Viet Nam – Surface parcels – Air parcels		
YE	Yemen – Surface parcels – Air parcels		
ZM	Zambia – Surface parcels – Air parcels		
ZW	Zimbabwe		

Parcel service features provided by designated operators (for a complete description of the service features, see article 32-201 of the Convention Regulations)

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ISO	Designated operator	Bonus for service feature 1 – Track and trace: 25%					Bonus for service feature 2 – Home delivery: 5%	Bonus for service feature 3 – Delivery standards: 5%	Bonus for service feature 4 – IBIS: 5%		
		EMC over EMD – Bonus: 2%	EMD over EMC – Bonus: 2%	EDH or EMH or EMI over EMD		EDC over EDB or EME – Bonus: 5%			RESDES over PREDES – Bonus: 5%	Bonus for on-time responses: 3%	Bonus for opening requests received: 1%
AF	Afghanistan										
AL	Albania										
DZ	Algeria										
AO	Angola										
AG	Antigua and Barbuda ²										
AR	Argentina										
AM	Armenia										
AW	Aruba										
AU	Australia										
AT	Austria										
AZ	Azerbaijan										
BS	Bahamas										
BH	Bahrain (Kingdom)										
BD	Bangladesh										
BB	Barbados										
BY	Belarus										
BE	Belgium										
BZ	Belize										
BJ	Benin										
BT	Bhutan										
BO	Bolivia										

ISO	Designated operator	Bonus for service feature 1 – Track and trace: 25%					Bonus for service feature 2 – Home delivery: 5%	Bonus for service feature 3 – Delivery standards: 5%	Bonus for service feature 4 – IBIS: 5%			
		EMC over EMD – Bonus: 2%	EMD over EMC – Bonus: 2%	EDH or EMH or EMI over EMD		EDC over EDB or EME – Bonus: 5%			RESDES over PREDES – Bonus: 5%	Bonus for on-time responses: 3%	Bonus for opening requests received: 1%	Bonus for opening replies received: 1%
BA	Bosnia and Herzegovina (JP BH Pošta)											
BA	Bosnia and Herzegovina (Pošte Srpske)											
BA	Bosnia and Herzegovina (Mostar)											
BW	Botswana											
BR	Brazil											
BN	Brunei Darussalam											
BG	Bulgaria (Rep.)											
BF	Burkina Faso											
BI	Burundi											
KH	Cambodia											
CM	Cameroon											
CA	Canada											
CV	Cape Verde											
CF	Central African Rep.											
TD	Chad											
CL	Chile											
CN	China (People's Rep.)											
HK	– Hong Kong, China											
MO	– Macao, China											
CO	Colombia											
KM	Comoros											
CG	Congo (Rep.)											
CR	Costa Rica											
CI	Côte d'Ivoire (Rep.)											

ISO	Designated operator	Bonus for service feature 1 – Track and trace: 25%					Bonus for service feature 2 – Home delivery: 5%	Bonus for service feature 3 – Delivery standards: 5%	Bonus for service feature 4 – IBIS: 5%		
		EMC over EMD – Bonus: 2%	EMD over EMC – Bonus: 2%	EDH or EMH or EMI over EMD		EDC over EDB or EME – Bonus: 5%			RESDES over PREDES – Bonus: 5%	Bonus for on-time responses: 3%	Bonus for opening requests received: 1%
HR	Croatia										
CU	Cuba										
CW	Curaçao										
CY	Cyprus										
CZ	Czech Rep.										
KP	Dem. People's Rep. of Korea ³										
CD	Dem. Rep. of the Congo										
DK	Denmark										
DJ	Djibouti										
DM	Dominica										
DO	Dominican Republic										
EC	Ecuador										
EG	Egypt										
SV	El Salvador										
GQ	Equatorial Guinea ⁴										
ER	Eritrea										
EE	Estonia										
SZ	Eswatini										
ET	Ethiopia										
FJ	Fiji										
FI	Finland										
AX	– Åland Islands ⁵										
FR	France ⁶										

³ [REDACTED]
⁴ [REDACTED]
⁵ [REDACTED]
⁶ [REDACTED]

ISO	Designated operator	Bonus for service feature 1 – Track and trace: 25%					Bonus for service feature 2 – Home delivery: 5%	Bonus for service feature 3 – Delivery standards: 5%	Bonus for service feature 4 – IBIS: 5%			
		EMC over EMD – Bonus: 2%	EMD over EMC – Bonus: 2%	EDH or EMH or EMI over EMD		EDC over EDB or EME – Bonus: 5%			RESDES over PREDES – Bonus: 5%	Bonus for on-time responses: 3%	Bonus for opening requests received: 1%	Bonus for opening replies received: 1%
				Eligible for bonus	Bonus (max. 11%)							
PF	– French Polynesia											
NC	– New Caledonia											
WF	– Wallis and Futuna Islands ⁷											
GA	Gabon											
GM	Gambia											
GE	Georgia											
DE	Germany											
GH	Ghana											
GR	Greece											
GD	Grenada											
GT	Guatemala											
GN	Guinea											
GW	Guinea-Bissau ⁸											
GY	Guyana											
HT	Haiti											
HN	Honduras (Rep.) ⁹											
HU	Hungary											
IS	Iceland											
IN	India											
ID	Indonesia											
IR	Iran (Islamic Rep.)											
IQ	Iraq											
IE	Ireland											
IL	Israel											
IT	Italy											

⁷ [REDACTED]
⁸ [REDACTED]
⁹ [REDACTED]

ISO	Designated operator	Bonus for service feature 1 – Track and trace: 25%					Bonus for service feature 2 – Home delivery: 5%	Bonus for service feature 3 – Delivery standards: 5%	Bonus for service feature 4 – IBIS: 5%		
		EMC over EMD – Bonus: 2%	EMD over EMC – Bonus: 2%	EDH or EMH or EMI over EMD		EDC over EDB or EME – Bonus: 5%			RESDES over PREDES – Bonus: 5%	Bonus for on-time responses: 3%	Bonus for opening requests received: 1%
JM	Jamaica										
JP	Japan										
JO	Jordan										
KZ	Kazakhstan (Kazpost)										
KE	Kenya										
KI	Kiribati										
KR	Korea (Rep.)										
KW	Kuwait										
KG	Kyrgyzstan										
LA	Lao People's Dem. Rep.										
LV	Latvia										
LB	Lebanon										
LS	Lesotho										
LR	Liberia										
LI	Liechtenstein										
LT	Lithuania										
LU	Luxembourg										
MG	Madagascar										
MW	Malawi										
MY	Malaysia										
MV	Maldives										
ML	Mali										
MT	Malta										
MR	Mauritania										
MU	Mauritius										
MX	Mexico										
MD	Moldova										
MN	Mongolia										

ISO	Designated operator	Bonus for service feature 1 – Track and trace: 25%					Bonus for service feature 2 – Home delivery: 5%	Bonus for service feature 3 – Delivery standards: 5%	Bonus for service feature 4 – IBIS: 5%		
		EMC over EMD – Bonus: 2%	EMD over EMC – Bonus: 2%	EDH or EMH or EMI over EMD		EDC over EDB or EME – Bonus: 5%			RESDES over PREDES – Bonus: 5%	Bonus for on-time responses: 3%	Bonus for opening requests received: 1%
ME	Montenegro										
MA	Morocco										
MZ	Mozambique										
MM	Myanmar										
NA	Namibia										
NR	Nauru ¹⁰										
NP	Nepal										
NL	Netherlands										
BQ	– Bonaire, Sint Eustatius and Saba										
NZ	New Zealand										
CK	– Cook Islands										
NI	Nicaragua										
NE	Niger										
NG	Nigeria										
MK	North Macedonia										
NO	Norway										
OM	Oman										
PK	Pakistan										
PS	Palestine										
PA	Panama (Rep.)										
PG	Papua New Guinea										
PY	Paraguay										
PE	Peru										
PH	Philippines										
PL	Poland										
PT	Portugal										

ISO	Designated operator	Bonus for service feature 1 – Track and trace: 25%					Bonus for service feature 2 – Home delivery: 5%	Bonus for service feature 3 – Delivery standards: 5%	Bonus for service feature 4 – IBIS: 5%			
		EMC over EMD – Bonus: 2%	EMD over EMC – Bonus: 2%	EDH or EMH or EMI over EMD		EDC over EDB or EME – Bonus: 5%			RESDES over PREDES – Bonus: 5%	Bonus for on-time responses: 3%	Bonus for opening requests received: 1%	Bonus for opening replies received: 1%
QA	Qatar											
RO	Romania											
RU	Russian Federation											
RW	Rwanda											
KN	Saint Christopher (St Kitts) and Nevis											
LC	Saint Lucia											
VC	Saint Vincent and the Grenadines											
WS	Samoa											
ST	Sao Tome and Principe											
SA	Saudi Arabia											
SN	Senegal											
RS	Serbia											
SC	Seychelles											
SL	Sierra Leone											
SG	Singapore											
SX	Sint Maarten											
SK	Slovakia											
SI	Slovenia											
SB	Solomon Islands											
SO	Somalia ¹¹											
ZA	South Africa											
SS	South Sudan											
ES	Spain											
LK	Sri Lanka											
LY	State of Libya											

ISO	Designated operator	Bonus for service feature 1 – Track and trace: 25%					Bonus for service feature 2 – Home delivery: 5%	Bonus for service feature 3 – Delivery standards: 5%	Bonus for service feature 4 – IBIS: 5%		
		EMC over EMD – Bonus: 2%	EMD over EMC – Bonus: 2%	EDH or EMH or EMI over EMD		EDC over EDB or EME – Bonus: 5%			Bonus for on-time responses: 3%	Bonus for opening requests received: 1%	Bonus for opening replies received: 1%
				Eligible for bonus	Bonus (max. 11%)						
SD	Sudan										
SR	Suriname										
SE	Sweden										
CH	Switzerland										
SY	Syrian Arab Rep.										
TJ	Tajikistan										
TZ	Tanzania (United Rep.)										
TH	Thailand										
TL	Timor-Leste (Dem. Rep.)										
TG	Togo										
TO	Tonga (including Niuafo'ou)										
TT	Trinidad and Tobago										
TN	Tunisia										
TR	Turkey										
TM	Turkmenistan ¹²										
TV	Tuvalu										
UG	Uganda										
UA	Ukraine										
AE	United Arab Emirates										
GB	United Kingdom										
AI	– Anguilla										
AC	– Ascension										
BM	– Bermuda										

ISO	Designated operator	Bonus for service feature 1 – Track and trace: 25%					Bonus for service feature 2 – Home delivery: 5%	Bonus for service feature 3 – Delivery standards: 5%	Bonus for service feature 4 – IBIS: 5%		
		EMC over EMD – Bonus: 2%	EMD over EMC – Bonus: 2%	EDH or EMH or EMI over EMD		EDC over EDB or EME – Bonus: 5%			RESDES over PREDES – Bonus: 5%	Bonus for on-time responses: 3%	Bonus for opening requests received: 1%
VG	– British Virgin Islands										
KY	– Cayman Islands										
FK	– Falkland Islands (Malvinas)										
GI	– Gibraltar										
MS	– Montserrat ¹³										
PN	– Pitcairn Islands ¹⁴										
SH	– St Helena										
TA	– Tristan da Cunha ¹⁵										
TC	– Turks and Caicos Islands ¹⁶										
US	United States of America										
UY	Uruguay										
UZ	Uzbekistan										
VU	Vanuatu										
VA	Vatican										
VE	Venezuela (Bolivarian Rep.)										
VN	Viet Nam										
YE	Yemen										
ZM	Zambia										
ZW	Zimbabwe										

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Note

Handling force majeure for parcel post resulting from the COVID-19 pandemic

The COVID-19 pandemic has represented an impediment to operations beyond the reasonable control of affected designated operators. The DOs of member countries all over the world have experienced unprecedented obstacles and limitations in processing and delivering postal items, as well as in handling inquiries. DOs have thus been facing difficulties in fulfilling their quality-of-service standards and achieving performance targets owing to reasons beyond their control that are not attributable to any act or failure on their part. Consequently, a significant and increasing number of Posts have invoked force majeure and requested the waiving of the application of penalties to payments relating to quality-linked remuneration until the situation returns to normal.

A proposal by the POC Committee 2 Quality of Service Group (QSG) on the handling of cases of force majeure for parcel-post items impacted by the COVID-19 pandemic was the subject of document POC C 2 QSG 2020.1–Doc 2 approved at the last POC session. That document considered all parcel-post items to have been affected by a global force majeure event in the period from February to July 2020. Therefore, the parcels reports on performance measurement and inquiries using the Internet-Based Inquiry System for that six-month period will not be taken into account in applying bonuses to base ILRs. Instead, the reports for the period prior to the pandemic declaration (i.e. August 2019 to January 2020) will be applied in calculating the final ILRs for the period from 1 January to 30 June 2021.

The QSG is monitoring the COVID-19 situation and this measure may be extended to the next set of ILRs, given that this global force majeure event has continued beyond July 2020.

Certification of Prices for Inbound Parcel Post (at UPU Rates)

I, Nan K. McKenzie, Manager of Pricing Innovation, Finance Department, United States Postal Service, am familiar with the prices for Inbound Parcel Post (at UPU Rates). The prices were established by the Decision of the Governors of the United States Postal Service on the Establishment of Prices and Classifications for Domestic Competitive Agreements, Outbound International Competitive Agreements, Inbound International Competitive Agreements, and Other Non-published Competitive Rates (Governors' Decision No. 19-1), issued on February 7, 2019.

I hereby certify that the numerical revenue and cost values underlying the new prices for Inbound Parcel Post (at UPU Rates) are the appropriate data to use in the formulas and represent the best available information. The prices are in compliance with Governors' Decision No. 19-1 and with 39 U.S.C § 3633(a). The prices demonstrate that Inbound Parcel Post (at UPU Rates) should cover its attributable costs and preclude the subsidization of competitive products by market-dominant products. International competitive mail accounts for a relatively small percentage of the total contribution by all competitive products. Contribution from Inbound Parcel Post (at UPU Rates) should be even smaller. Inbound Parcel Post (at UPU Rates) should not impair the ability of competitive products on the whole to cover an appropriate share of institutional costs.

Nan K.

McKenzie

Nan K. McKenzie

Digitally signed by Nan K. McKenzie
DN: cn=Nan K. McKenzie, o,
ou=Manager, Pricing Innovation,
email=nan.k.mckenzie@usps.gov, c=US
Date: 2020.12.11 12:40:54 -05'00'

Date

Dear All (Veuillez voir ci-après la version en français du présent message),

Please find attached the six-month Parcels Performance Measurement Report which is used for the assessment of the 1 July 2020 inward land rates in relation to the eligibility of individual designated operators to receive the bonuses associated with track and trace and IBIS. The enclosed reports covers the period from 1 August 2019 to 31 January 2020. The Consolidated "Inbound Performance Report" and the Consolidated "Outbound Performance report" are used to assess operators' eligibility to receive bonuses for 1 July 2020 ILRs as follows:

	ILR BONUS SYSTEM FOR 2020			
	Performance indicators related with EMC, EMD events	Performance indicators related with EDB, EME and EDC events	Performance indicators related with PREDES and RESDES messages	Performance indicators related with EDH, EMH and EMI events
Operational definition	<p>The percentage of items which received an EMC event against the number of items for which an EMD event was sent by the destination operators: EMC over EMD - Outbound ratio.</p> <p>The percentage of items which received an EMD event against the number of items for which an EMC event was sent by the origin operator: EMD over EMC - Inbound ratio.</p> <p>Transmission EMC and EMD events</p>	<p>Items returned from import customs (EDC) as % of items previously presented to or held by import Customs: EDC over EDB or EME.</p> <p>Transmission of EDC events.</p>	<p>Dispatches to an individual operator for which a response to dispatch (RESDES) was provided as % of all dispatches for which a pre-advice of dispatch (PREDES) was sent.</p> <p>RESDES over PREDES *****</p> <p>Transmission of PREDES and RESDES messages.¹</p>	<p>The percentage of items which received an EDH, EMH and/or EMI event against the number of items received (and scanned EMD) at the inward OE.</p> <p>EDH or EMH or EMI over EMD</p> <p>Transmission of EDH, EMH, EMI events²</p>
Performance targets	<p><u>Related to EMC events</u> Minimum ratios of 80%:</p> <ul style="list-style-type: none"> - EMC over EMD; - EMC transmitted within 24 elapsed hours; <p><u>Related to EMD events</u> Minimum ratios of 60%:</p> <ul style="list-style-type: none"> - EMD over EMC; - EMD transmitted within 24 elapsed hours 	<p>Minimum ratio of 80%:</p> <ul style="list-style-type: none"> - EDC over EDB or EME events. - EDC transmitted within 24 elapsed hours 	<p>1. Minimum number of partners receiving PREDES messages: 5</p> <p>2. Minimum RESDES over PREDES ratio: 80%</p> <p>2.1 PREDES messages transmitted within 24 elapsed hours.</p> <p>2.2 RESDES messages transmitted within 24 elapsed hours.</p>	<p>Minimum range ratio from 80% to 90%:</p> <ul style="list-style-type: none"> - EMH/EMI over EMD events; - EDH/EMH/EMI transmitted within 48 hours of the event time and date

¹ Since 1 February 2016 the use of PREDES (version 2.1 or later) and RESDES (version 1.1 or later) is mandatory according to Regulations article 17-216.2. Therefore, only PREDES 2.1 or later and RESDES 1.1 or later messages are considered in the six-month Parcels Performance Measurement Report.

² The use of EMSEVT v3.0 is mandatory for parcels according to Regulations article 17-216.1 since 1 January 2018 and is implemented in all parcels performance reports since 1 February 2018.

Bonus percentage	2% for EMC 2% for EMD	5%	5%	1% for 80% Perf. 6% for 85% Perf. 2% for 81% Perf. 7% for 86% Perf. 3% for 82% Perf. 8% for 87% Perf. 4% for 83% Perf. 9% for 88% Perf 5% for 84% Perf. 10% for 89% Perf 11% for 90% Perf. or higher
References to the Regulations	Res CEP 3/2019.1; Regs Articles: 17-216.1.1; 17-217; 17-218.1.1; 32-201.4.1.1.1; 32-201.4.1.1.2.	Res CEP 3/2019.1; Regs Articles: 17-216.1.1; 17-217; 32-201.4.1.2.	Res CEP 3/2019.1; Regs Articles: 17-216.2; 17-217.2; 32-201.4.1.3.	Res CEP 3/2019.1; Regs Articles: 17-216.1.1; 17-217; 17-218.1.2; 32-201.4.1.1.3.

In addition, you will also find enclosed the Internet-based Inquiry System (IBIS) six-month report. This report is used by the International Bureau to assess operators' eligibility to receive the total of 5% bonus associated with the use of IBIS as defined in Regulations Articles 21-003.7 and 32-201.4.4:

- 3% for achieving the target of 90% on-time responses to inquiries.
- 1% for opening requests received (within a maximum average time of 16 working hours).
- 1% for opening replies received (within a maximum average time of 16 working hours).

For further information on these reports, please contact: parcels@upu.int

However, if you received this report in error, please inform the PTC helpdesk, ptc.support@upu.int.

Best regards,

Quality Improvement Programme Team

Period: August 2019 - January 2020

Explanation of measurements:

The reports show the measured performance of all parcels (Air, Surface and SAL) for the specified period and cover the EDI data received by the International Post Corporation (IPC) and the UPU Postal Technology Centre (PTC) by the 10th day of the following month. The measurement of performance is item specific (events relate to the same parcel) so as to avoid double counting of scanned events. For detailed information on the parcel measurement reports, a Guide to the Parcels reports is available at the UPU website: <http://www.upu.int/en/activities/parcels/publications.html>

Since the transportation for Surface and SAL parcels can take a considerable amount of time, the calculations of cross-border ratios use a special algorithm that also takes into account data in respect of all items despatched from outward office of exchange (Event EMC) or other outbound events – EMA or EMB) from the previous two months. This is to allow sufficient time for all the information concerned to be captured into the database. Under such circumstances, the calculation of the following two ratios is not item specific:

- Items arriving at inward office of exchange (Event EMD) as a percentage of parcels despatched from outward office of exchange (Event EMC)
- Items made available at collection point for pick-up (by recipient), or attempted/unsuccessfully delivered or finally delivered (Events EDH, EMH or EMI) as a percentage of parcels
- items with a scanned EMD event as a percentage of parcels sent by the originating operator during the selected month (Events EMA, EMB, or EMC)

The performance reports comprise the following four sets of reports:

- All Operators Inbound Performance Report: Your inbound performance compared to your partners' inbound performance.
- All Operators Outbound Performance Report: Your outbound performance compared to your partners' outbound performance.
- Outbound Item Report: (each Delivery Operator's performance on parcels sent from the Originating Operator) – This report shows how other operators perform for parcels originated from your country.
- Inbound Item Report: (The Delivery Operator's performance on parcels received from each Originating Operator) – This report shows how you perform for parcels received from other countries.

Each set of these reports is made up of the following four separate reports to show the performance of the different categories of parcels:

- Consolidated Report (All parcels)
- Air (Priority) Report
- Surface/SAL Report
- Report on Parcels with no PREDES V2.1 information (It is not possible to identify whether these parcels are Air [Priority] or Surface/SAL parcels)

The separate reports for Air (Priority) and Surface/SAL parcels can only be produced for those operators that transmit PREDES V2.1 messages.

Measurable events and messages*:

The events measured in the reports include:

- | | |
|-----------|----------------------------------------------|
| Event EMA | - Posting / Collection |
| Event EMB | - Arrival at outward office of exchange |
| Event EMC | - Departure from outward office of exchange |
| Event EMD | - Arrival at inward office of exchange |
| Event EDB | Item presented to import Customs |
| Event EME | - Item held by Customs |
| Event EDC | - Item returned from import Customs |
| Event EMH | - Attempted/Unsuccessful (physical) delivery |
| Event EMI | - Final delivery |

- | | |
|-----------|---------------------------------------------|
| Event EMJ | - Arrival at transit office of exchange |
| Event EMK | - Departure from transit office of exchange |

The messages measured in the reports include:

- | | |
|-------------|---------------------------------------------------|
| PREDES V2.1 | - pre-advice of despatch prepared |
| RESDES V1.1 | - administration confirmation of despatch receipt |

* All item level tracking information are mandatory and based on EMSEVT V3 (Article 16-216)

Performance Reports:

1. All Operators Inbound Performance Report

This set of reports show the aggregated performance of all operators in processing all their inbound parcels.

The percentage figures are calculated based on the number of parcels with a particular event over the same parcels with another event. The performance results include:

Scanning performance (%)

- Event EMD over items sent*. Minimum performance targets are approved by POC (refer to Parcel Post Manual). An item is considered sent if it has one of the outbound EMSEVT events: EMA, EMB or EMC transmitted.
- Event EMD over Event EMC*. Minimum performance targets are approved by POC (refer to Parcel Post Manual).
- Event EDC over Event EDB or EME . Minimum performance targets are approved by POC (refer to Parcel Post Manual).
- Event EDH or EMH or EMI over Event EMC*
- Event EDH or EMH or EMI over Event EMD. Minimum performance targets are approved by POC (refer to Parcel Post Manual).
- Event EMI over Event EMD
- Event EDH or EMH no EMI over Event EMD
- Event EMK over Event EMJ
- RESDES V1.1 over PREDES V2.1. Minimum performance targets are approved by POC (refer to Parcel Post Manual).

Transmission (%) – Event scans

- Event EMD transmitted within 24 hours
- Event EDH or EMH or EMI transmitted within 48 hours
- Event EDC transmitted within 24 hours
- RESDES messages transmitted within 24 hours

Delivery performance (%) – Time between EMD and EDH/EMH/EMI

- Percentage of parcels taking between 2 to 10 or more calendar days for delivery, excluding the time parcels are held in Customs. The data shown are cumulative figures.
- No delivery information - Percentage of parcels that do not have Event EDH or EMH or EMI
- Out of sequence - Percentage of parcels with scan events that are not in chronological order. These items are excluded from the performance calculation.

Note:

* The interpretation of possible results for this ratio are:

- When the result is less than 100%, the Delivery Operator is not capturing all its inbound parcels
- When the result is equal to 100%, the Delivery Operator is capturing all its inbound parcels
- When the result is more than 100%, the Originating Operator is not capturing all its outbound parcels

2. All Operators Outbound Performance Report

This set of reports shows the aggregated performance of all operators in processing their outbound parcels.

The percentage figures are calculated based on the number of parcels with a particular event over the same parcels with another event. The performance results include:

Scanning performance (%)

- Event EMC over items received. Minimum performance targets are approved by POC (refer to Parcel Post Manual).
- Event EMC over EMD. Minimum performance targets are approved by POC (refer to Parcel Post Manual).

Transmission (%) – Event scans

- Event EMA transmitted within 24 hours
- Event EMB transmitted within 24 hours
- Event EMC transmitted within 24 hours
- PREDES messages transmitted within 24 hours

3. Inbound Item Report

This set of reports shows the performance of the Delivery Operator on parcels from each Originating Operator. This includes:

Parcels with events received by Delivery Operator

- Number of parcels received from each Originating Operator (based on Events EMA, EMB and EMC)
- Number of parcels received from each Originating Operator with information on:
 - Event EMA
 - Event EMB
 - Event EMC

Parcels with events sent to partners

- Number of parcels from each Originating Operator arriving at the inward OE (based on Events EMD to EMI)
- Number of parcels processed by the Delivery Operator with information on:
 - Event EMD
 - Event EDB
 - Event EME
 - Event EDC
 - Event EDH
 - Event EMH
 - Event EMI

Scanning performance (%)

- Event EMD over items sent*. Minimum performance targets are approved by POC (refer to Parcel Post Manual).
- Event EDB or EME over Event EMD
- Event EDC over Event EDB or EME. Minimum performance targets are approved by POC (refer to Parcel Post Manual).
- Event EDH or EMH or EMI over Event EMD. Minimum performance targets are approved by POC (refer to Parcel Post Manual).
- Event EDH or EMH no EMI over Event EMD

Delivery performance (%) – Time between EMD and EDH/EMH/EMI

- Percentage of parcels taking between 2 to 10 or more calendar days for delivery, including the time parcels are held in Customs. The data shown are cumulative figures.

No information - No delivery information

- Number of parcels with no attempted or final delivery information or were not made available at collection point for pick-up (by recipient)

Note:

* The interpretation of possible results for this ratio are

- When the result is less than 100%, the Delivery Operator is not capturing all its inbound parcels

- When the result is equal to 100%, the Delivery Operator is capturing all its inbound parcels
- When the result is more than 100%, the Originating Operator is not capturing all its inbound parcels

4. Outbound Item Report

This set of reports show the performance of each Delivery Operator on parcels from the Originating Operator. This includes:

Parcels with events sent by Originating Operator

- Number of parcels sent to each Delivery Operator (based on Events EMA, EMB and EMC)
- Number of parcels sent to each Delivery Operator with information on:
 - Event EMA
 - Event EMB
 - Event EMC

Parcels with events received from partners

- Number of parcels arriving at the inward OE of the Delivery Operator (based on Events EMD to EMI)
- Number of parcels processed by the Delivery Operator with information on:
 - Event EMD
 - Event EDB
 - Event EME
 - Event EDC
 - Event EDH
 - Event EMH
 - Event EMI

Scanning performance (%)

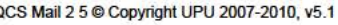
- Event EMD over items sent*. Minimum performance targets are approved by POC (refer to Parcel Post Manual).
- Event EDB or EME over Event EMD
- Event EDC over Event EDB or EME. Minimum performance targets are approved by POC (refer to Parcel Post Manual).
- Event EDH or EMH or EMI over Event EMD. Minimum performance targets are approved by POC (refer to Parcel Post Manual).
- Event EDH or EMH no EMI over Event EMD

Delivery performance (%) – Time between EMD and EDH/EMH/EMI

- Percentage of parcels taking between 2 to 10 or more calendar days for delivery, excluding the time parcels are held in Customs. The data shown are cumulative figures.

No information - No delivery information

- Number of parcels with no attempted or final delivery information or were not made available at collection point for pick-up (by recipient)



(Prepared by the Universal Postal Union)

Inbound Outbound Performance Report

All Operators

2020-02-17 14:01 (UTC/GMT)

Consolidated	Scanning performance (%)									Transmission (%)				Messages	Delivery performance (%)									
										Event scans				RESDES partners	Time between EMD and EDH/EMH/EMI (in calendar days)								No deliv. info.	Out of sequence
Delivery Operator	EMD/ items sent*	EMD/ EMC*	EDC/ EDB or EME	EDH or EMH or EMI /EMC*	EDH or EMH or EMI / EMD	EMI/ EMD	EDH or EMH no EMI /EMD	EMK/ EMJ	RESDES over PREDES	EMD < 24hrs	EDH or EMH or EMI < 48hrs	EDC < 24hrs	RESDES < 24hrs	No. of RESDES partners	< 2 days	< 3 days	< 4 days	< 5 days	< 6 days	< 7 days	<10 days	>10 days		
SNA																								
SOA																								
SRA																								
STA																								
SVA																								
SXA																								
SYA																								
SZA																								
TCA																								
TDA																								
TGA																								
THA																								
TJA																								
TLA																								
TMA																								
TNA																								
TOA																								
TRA																								
TTA																								
TVA																								
TZA																								
UAA																								
UGA																								
USA																								
UYA																								
UZA																								
VAA																								
VCA																								



6-Months Parcels Measurement Reports

Attachment 4 to Postal Service Notice dated Dec. 11, 2020; BRC Docket No. CP2021-47

Inbound Outbound Performance Report

All Operators

QCS Mail 2.5 © Copyright UPU 2007-2010, v5.1

(Prepared by the Universal Postal Union)

2020-02-17 14:01 (UTC/GMT)

Outbound Performance Report, August 2019 - January 2020

Consolidated	Scanning performance (%)		Transmission (%)				Messages
			Event scans				
	Originating Operator	EMC / Items received	EMC/EMD	EMA < 24hrs	EMB < 24hrs	EMC < 24hrs	PREDES < 24hrs
TJA							
TLA							
TMA							
TNA							
TOA							
TRA							
TTA							
TVA							
TZA							
UAA							
UGA							
USA							
UYA							
UZA							
VAA							
VCA							
VEA							
VGA							
VNA							
VUA							
WSA							
YEA							
ZAA							
ZMA							
ZWA							
Total							

IBIS for Parcels

Global Customer Service System © IPC

Parcels Customer Service Performance Consolidated Report

Reporting period 01/08/2019 - 31/01/2020

Creation date 02/02/2020 © IPC

[illegible]

JIMMY ORTIZ
(A) EXECUTIVE DIRECTOR
INTERNATIONAL POSTAL AFFAIRS



August 27, 2020

Mr. Philippe Grondein
Economic and Regulatory Affairs Directorate
UPU International Bureau
P.O. Box 312
3000 Berne 15
SWITZERLAND

Fax: +41 31 350 31 10

Dear Mr. Grondein:

The United States wishes to claim an adjustment for inflation to its base inward land rates for the delivery of parcels.

Enclosed is an excerpt from the U.S. Department of Labor's Bureau of Labor Statistics that records the consumer price index (CPI-U) for the United States as of July. This same official source also contains the percent change in the U.S. consumer price index from July 2019 to July 2020.

We request U.S. inward land rates receive an inflation adjustment of 1.0 percent, as documented in this official U.S. government source recording the annual change in the U.S. consumer price index (July 2019 until July 2020).

<u>Year</u>	<u>July</u>
2019	256.6
2020	259.1

Thank you for your attention to this matter.

Sincerely,

A handwritten signature in blue ink, appearing to read "Jimmy Ortiz", with a stylized flourish at the end.

Jimmy Ortiz

Documentation Supporting US Request for Inflation Adjustment to its UPU Parcels IR
(Increase in CPI-U from July 2019-July 2020)

Table 1. Consumer Price Index for All Urban Consumers (CPI-U): U.S. city average, by expenditure category, July 2020

[1982-84=100, unless otherwise noted]

Expenditure category	Relative importance Jun. 2020	Unadjusted indexes			Unadjusted percent change		Seasonally adjusted percent change		
		Jul. 2019	Jun. 2020	Jul. 2020	Jul. 2019-Jul. 2020	Jun. 2020-Jul. 2020	Apr. 2020-May 2020	May 2020-Jun. 2020	Jun. 2020-Jul. 2020
All items.....	100.000	256.571	257.797	259.101	1.0	0.5	-0.1	0.6	0.6
Food.....	14.252	258.274	269.770	268.863	4.1	-0.3	0.7	0.6	-0.4
Food at home.....	7.971	241.359	255.042	252.563	4.6	-1.0	1.0	0.7	-1.1
Cereals and bakery products.....	1.020	277.490	286.092	285.204	2.8	-0.3	-0.2	0.4	-0.4
Meats, poultry, fish, and eggs.....	1.864	250.033	281.139	271.028	8.4	-3.6	3.7	2.0	-3.8
Dairy and related products.....	0.789	217.626	228.437	227.114	4.4	-0.6	1.0	-0.4	-0.8
Fruits and vegetables.....	1.350	299.350	305.393	306.123	2.3	0.2	0.5	0.4	0.1
Nonalcoholic beverages and beverage materials.....	0.949	169.685	179.190	178.167	5.0	-0.6	0.0	0.7	-0.5
Other food at home.....	1.999	210.941	219.311	219.254	3.9	0.0	0.0	0.2	-0.2
Food away from home ¹	6.282	284.891	293.219	294.599	3.4	0.5	0.4	0.5	0.5
Energy.....	6.069	222.492	193.379	197.665	-11.2	2.2	-1.8	5.1	2.5
Energy commodities.....	2.908	248.629	189.613	198.365	-20.2	4.6	-3.5	11.7	5.3
Fuel oil.....	0.071	278.773	194.267	203.084	-27.2	4.5	-6.3	10.2	4.3
Motor fuel.....	2.778	245.042	186.494	195.317	-20.3	4.7	-3.5	12.0	5.5
Gasoline (all types).....	2.715	244.000	185.422	194.397	-20.3	4.8	-3.5	12.3	5.6
Energy services.....	3.161	206.651	206.368	206.388	-0.1	0.0	-0.5	-0.2	0.0
Electricity.....	2.494	219.083	218.191	218.820	-0.1	0.3	-0.8	-0.3	0.3
Utility (piped) gas service.....	0.668	167.074	168.267	166.536	-0.3	-1.0	0.8	0.0	-1.0
All items less food and energy.....	79.679	263.566	266.302	267.703	1.6	0.5	-0.1	0.2	0.6
Commodities less food and energy commodities.....	20.071	144.448	142.908	143.696	-0.5	0.6	-0.2	0.2	0.7
Apparel.....	2.698	122.161	114.734	114.267	-6.5	-0.4	-2.3	1.7	1.1
New vehicles.....	3.745	147.035	147.108	147.803	0.5	0.5	0.3	0.0	0.8
Used cars and trucks.....	2.521	142.756	136.915	141.493	-0.9	3.3	-0.4	-1.2	2.3
Medical care commodities.....	1.624	380.278	384.259	384.377	1.1	0.0	0.1	0.2	0.0
Alcoholic beverages.....	1.043	253.129	258.033	256.960	1.5	-0.4	0.8	0.2	-0.3
Tobacco and smoking products.....	0.597	1,120.066	1,165.761	1,178.054	5.2	1.1	-0.2	1.1	0.8
Services less energy services.....	59.607	337.867	343.713	345.493	2.3	0.5	0.0	0.3	0.6
Shelter.....	33.468	319.136	325.814	326.580	2.3	0.2	0.2	0.1	0.2
Rent of primary residence.....	7.871	331.605	341.294	341.950	3.1	0.2	0.3	0.1	0.2
Owners' equivalent rent of residences ²	24.277	326.023	334.424	335.144	2.8	0.2	0.3	0.1	0.2
Medical care services.....	7.372	535.515	564.754	567.299	5.9	0.5	0.6	0.5	0.5
Physicians' services.....	1.831	383.047	390.718	392.928	2.6	0.6	0.7	0.5	0.7
Hospital services ³	2.229	336.604	352.794	353.381	5.0	0.2	0.1	0.4	0.2
Transportation services.....	5.046	325.105	303.942	312.938	-3.7	3.0	-3.6	2.1	3.6
Motor vehicle maintenance and repair ¹	1.095	295.377	305.736	305.573	3.5	-0.1	0.4	0.1	-0.1
Motor vehicle insurance.....	1.514	569.011	511.639	558.276	-1.9	9.1	-8.9	5.1	9.3
Airline fares.....	0.640	268.314	206.066	204.785	-23.7	-0.6	-4.9	2.6	5.4

¹ Not seasonally adjusted.

² Indexes on a December 1982=100 base.

³ Indexes on a December 1996=100 base.

DECISION OF THE GOVERNORS OF THE UNITED STATES POSTAL SERVICE ON THE ESTABLISHMENT OF PRICES AND CLASSIFICATIONS FOR DOMESTIC COMPETITIVE AGREEMENTS, OUTBOUND INTERNATIONAL COMPETITIVE AGREEMENTS, INBOUND INTERNATIONAL COMPETITIVE AGREEMENTS, AND OTHER NON-PUBLISHED COMPETITIVE RATES (GOVERNORS' DECISION NO. 19-1)

February 7, 2019

STATEMENT OF EXPLANATION AND JUSTIFICATION

Pursuant to our authority under section 3632 of title 39, as amended by the Postal Accountability and Enhancement Act of 2006 ("PAEA"), we establish new prices not of general applicability for certain of the Postal Service's competitive service offerings, and such changes in classification as are necessary to implement the new prices.

This decision establishes new prices for Domestic Competitive Agreements, Outbound International Competitive Agreements, Inbound International Competitive Agreements, and Other Non-Published Competitive Rates. Domestic Competitive Agreements consist of negotiated service agreements with Postal Service customers for domestic services that are categorized as competitive in accordance with 39 U.S.C. § 3642(b)(1)-(2). Outbound International Competitive Agreements consist of negotiated service agreements with Postal Service customers for outbound international services that are categorized as competitive in accordance with 39 U.S.C. § 3642(b)(1)-(2). Inbound International Competitive Agreements consist of negotiated service agreements with foreign postal operators or other entities for inbound international services that are categorized as competitive in accordance with 39 U.S.C. § 3642(b)(1)-(2). Other Non-Published Competitive Rates consist of rates not of general applicability that are not embodied in contractual instruments.

With respect to any product within the above categories, management is hereby authorized to prepare any necessary product description, including text for inclusion in the Mail Classification Schedule, and to make all necessary regulatory filings with the Postal

Regulatory Commission. [REDACTED]
[REDACTED]
[REDACTED]
[REDACTED]
[REDACTED]
[REDACTED]

The Postal Accountability and Enhancement Act (PAEA) requires that prices for competitive products must cover each product's attributable costs, not result in subsidization by market dominant products, and enable all competitive products to contribute an appropriate share to the Postal Service's institutional costs. For agreements subject to this Decision, there are hereby established prices that will enable each agreement to cover at least 100 percent of the attributable costs for the relevant product and that conform in all other respects to 39 U.S.C. §§ 3632-3633 and 39 C.F.R. §§ 3015.5 and 3015.7. As discussed in the accompanying management analysis, the Chief Financial Officer (or his delegate(s)) shall certify that all cost inputs have been correctly identified for prices subject to this Decision and that all prices subject to this Decision conform to this Decision and to the requirements of the PAEA.

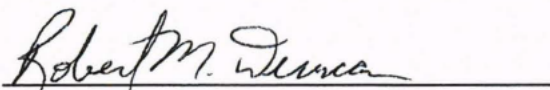
No agreement, grouping of functionally equivalent agreements, or other classification authorized pursuant to this Decision may go into effect unless it is submitted to the Postal Regulatory Commission with a notice that complies with 39 U.S.C. § 3632(b)(3). On a semi-annual basis, management shall furnish the Governors with a report on all non-published rate and classification initiatives, as specified in the accompanying Management Analysis. Not less than once each year, the Governors shall review the basis for this Decision and make such further determination as they may deem necessary. This Decision does not affect postal management's obligation to furnish to the Board of Governors information regarding any significant new program, policy, major modification, or initiative, or any other matter under 39 C.F.R. § 3.7(d), including where such a matter also falls within the scope of this Decision.

This Decision supersedes previous Governors' Decisions setting classifications and rates not of general applicability for competitive products; however, prices and classifications established under those Decisions may continue to be offered until the expiration of their terms, and contractual option periods and extension provisions that are included in the existing and future agreements can continue to be exercised.

ORDER

In accordance with the foregoing Decision of the Governors, the new prices and terms set forth herein for Domestic Competitive Agreements, Outbound International Competitive Agreements, Inbound International Competitive Agreements, and Other Non-Published Competitive Rates and the changes in classification necessary to implement those prices, are hereby approved and ordered into effect. An agreement or other nonpublished rate and classification initiative is authorized under this Decision only if the prices fall within this Decision and the certification process specified herein is followed. Prices and classification changes established pursuant to this Decision will take effect after filing with and completion of any necessary review by the Postal Regulatory Commission.

By The Governors:

A handwritten signature in cursive script, appearing to read "Robert M. Duncan", is written over a horizontal line.

Robert M. Duncan

Chairman, Board of Governors

Attachment A

Management Analysis of Domestic Competitive Agreements, Outbound International Competitive Agreements, Inbound International Competitive Agreements, and Other Non-Published Competitive Rates

This analysis concerns the inbound competitive prices and classifications in the Domestic Competitive Agreements, Outbound International Competitive Agreements, Inbound International Competitive Agreements, and Other Non-Published Competitive Rates (collectively, “competitive instruments”). Competitive instruments are often negotiated with customers and foreign postal operators for better cost coverage, higher overall contribution, and improved service with respect to postal services classified as competitive. They may also arise from other sources, such as the Universal Postal Convention.

The cost coverage for each competitive agreement or grouping of functionally equivalent instruments (collectively, each “product”) will be [REDACTED]

[REDACTED]

The cost coverage for a product equals [REDACTED]

[REDACTED]

[REDACTED]

Each competitive instrument may have multiple price categories and negotiated components. Examples of such categories or components would be Priority Mail, Priority Mail Express, Parcel Return Service, Parcel Select, First-Class Package Service, First Class Package International Service, Commercial ePacket Service, Priority Mail International, Priority Mail Express International, International Priority Airmail, International Surface Air Lift, Inbound Parcel Post, Inbound Direct Entry, and Inbound EMS services. These or other categories may include other services that the relevant customer or foreign postal operator offers to its customers under differing terms, but that nevertheless are processed and delivered in the same manner within the United States Postal Service’s network. Such instruments may also establish negotiated rates for services ancillary to such items and for customized competitive services developed for application solely in the context of the agreement.

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED] Prices

established by these formulas should not interfere with competitive products' ability as a whole to comply with 39 U.S.C. §3633(a)(3), which, as implemented by 39 C.F.R. § 3015.7(c), requires competitive products to contribute a minimum percentage to the Postal Service's total institutional costs. Accordingly, no issue of subsidization of competitive products by market dominant products should arise from 39 U.S.C. §3633(a)(1).

The Postal Service shall submit a semi-annual report to the Governors. The report shall include information on the cost coverage for each agreement or initiative that has been executed under the authority of Governors' Decision 19-1. Agreements classified as non-published rates or rate ranges may be reported as a collective grouping; all other agreements or initiatives are to be reported separately. The report shall also include cost coverage information on any agreements and nonpublished initiatives established under previous numbered Governors' Decisions and Resolutions.

**UNITED STATES POSTAL SERVICE
OFFICE OF THE BOARD OF GOVERNORS**

**CERTIFICATION OF GOVERNORS' VOTE ON
GOVERNORS' DECISION NO. 19-1**

Consistent with 39 USC 3632(a), I hereby certify that the following Governors
voted in favor of Governors' Decision No. 19-1:

Robert M. Duncan
David C. Williams



Michael J. Elston
Secretary of the Board of Governors (A)

7 February 2019

Date